GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:6928
ANSWERED ON:13.05.2002
REVIEW OF INVENTORY MANAGEMENT IN ICAR
SHEESH RAM SINGH RAVI

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the CAG in its Report 5 of 1998 has carried out a review of the inventory management in Institutes of Indian Council of Agricultural Research and brought out a number of glaring irregularities and shortcomings;

(b) if so, the details thereof, Institute-wise;

(c) the action taken thereon by the Government to set the irregularities and shortcomings right;

(d) whether the institutes are now following the inventory and purchase systems properly; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a) & (b): Yes, Sir. C&AG Report No.5 of 1998 brought out observations on Inventory Management in respect of eleven ICAR Institutes namely IVRI, Izatnagar, NBAGR, Karnal, IGFRI, Jhansi, IASRI, New Delhi, IARI, New Delhi, IISR, Lucknow, CISH, Lucknow, NBP New Delhi, DWR, Karnal, CIRB, Hissar and CSWRI, Avikanagar. The main issue raised in the C&AG Para in respect of all thes Institutes related to the acquisition of stores; utilisation of stores; purchases without inviting open tenders; delays in installation of equipment; idle equipment; infrastructural facilities not ready; non-maintenance of Assets Registers and physical verification of` stores unserviceable stores awaiting disposal; etc.

(c) The Institutes concerned, while furnishing the Action Taken Note in respect of above CAG para(s) justified that purchases were of urgent nature and hence were made through constitution of a committee. Institutes also informed that the audit observations regarding compliance of purchase procedure; utilisation of stores; delays in installations; idle equipments, etc. had been noted for strict future compliance. As regards physical verification and Non-maintenance of Assets register, the Institutes informed that the actions had been initiated/completed as per audit observations. Further, in accordance with the procedure laid down by CAG/MoF regarding CAG Paras, the Action Taken Note indicating the factual position and remedial action taken were submitted to the office of the PDA(SD), New Delhi for vetting on 31.12.98Audit Office vetted the above ATN vide their letter No. Report 6(49)/ICAR/3-97/306-308 dated 19.12.2000. After that 40 copies of ATN alongwith vetting comments of PDA were furnished to Monitoring Cell of MoF, Deptt. of Expenditure on 28.2.2001.

(d) & (e): In view of the Audit Report, ICAR issued a d.o. letter to all the Unit heads inSeptember, 1997 giving guidelines/General instructions on stores Purchases and emphasing the need for adopting transparent procedures and following the Inventory & Purchase procedure in letter and spirit. The Principal Director of Audit (Scientific Departments) conducts the statutory audit of all the ICAR Institutes annually.In addition the Finance & Accounts officer of the institute concerned and Inspection Unit of ICAR Headquarters also conduct inspection of Institutes periodically. The major irregularity in inventory management system when reported by the external as well as internal auditors is attended promptly and action is taken in accordance with rules/procedures.